

## COURSE OUTLINE

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### Matching Budgets to Strategy

#### Who is it for?

Senior managers, middle managers, supervisors, organisational leaders, experienced functional managers who influence the future direction of their division or organisation as whole, operational managers who define and implement organisational, divisional or business unit objectives, managers who have recently taken up a more senior position and wish to gain a deeper insight into strategic issues.

Also managers who are responsible for structuring or implementing change and managers who wish to enhance the performance focus of their business and budgetary decision-making.

#### What is it about?

This advanced programme maintains the balance between business strategy, people development, financial frameworks and operational needs. It will motivate delegates to raise the activity level in the organisation and generate the enthusiasm and the attitude necessary to successfully complete its mission.

The programme is designed to help delegates implement improvements in the alignment of business strategy and financial budgets, recognised as being a weak link in the successful execution of company strategies. The clear focus of the event is to support tangible business improvement.

Budgeting should be one of the tools used to control costs and deploy resources more effectively so that financial controllers and managers can both be active in your organisation's planning.

This unique management training course is designed for managers who seek improvement in the management of both their organisation's business strategy and budgeting and who recognise the business benefits from such an approach. At the end of the course delegates will be able to decide which techniques will be most beneficial for their organisation and you will also have the practical knowledge to implement them immediately.

#### What will it cover?

- Strategy & Strategic Management
  - Why do we use strategy in business and business development to achieve goals?

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- Why strategy is first before tactics and why it always brings change.
- The format of 'the strategy cycle' and development to 'activity based management'.
- What is strategic management and where would the budget process fit.
- **Business Strategy to Activity Management**
  - What are the main components of success in strategy and how do they influence budgets.
  - Creating a strategic business plan from the key elements of your strategy.
  - Converting the plan into strategic actions and targets that support activity & improvement.
  - The challenges of implementing strategy and how we identify critical success factors.
  - Why we need management tools and techniques to support strategic management and budgets.
  - The key techniques of Balance scorecard; Differentiation; Product life cycle and the 5P's tested.
- **Business Accounting and the Budgeting Process**
  - Basic accounting concepts and their workplace relevance to strategy and budgets.
  - How the concepts affect financial performance measures and what and how to improve them.
  - Financial statements and their evaluation of business health – when are they correct?
  - Creating the key budget ratios and data assessments for managing the strategic plan.
- **Budgeting and Matching to Strategy**
  - An outline to budgeting and how and why it needs to reflect company strategy in a practical way.
  - Traditional budgeting, how it fits with strategic management and the common problems to be avoided.
  - What does an integrated business planning and budgeting process look like in reality?
  - How and when budgeting should be incorporated within the overall planning process.
  - Business monitoring and review and how budget monitoring should fit overall business performance.
- **Budgetary Applications & Shareholder Value**
  - Some budgetary applications explored and assessed, what can you use in your business.
  - Value Based Budgeting (VBB): the use of investment centers to enable management control.

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- Monitor the distribution and successful use of shareholder funds within the business.
- Economic Value Added (EVA), an understanding of the associated concepts.
- Performance Indicators & their importance in Budgeting
  - Focusing the budget process on the strategic and operational key performance parameters.
  - Key Performance Indicator (KPI) budgeting, is it the best format for the budget process?
  - How KPI budgeting can provide a major improvement in the management value of budgeting.
  - Linking KPI's to the longer-term strategic issues facing the organisation.
  - Breakeven analysis and selecting the appropriate KPI factors, trying to see the complete picture.
- Activity Based Management
  - Activity based management including the process of activity based costing.
  - Using activity based management to support your strategic cost management.
  - The analysis and control of overhead and support costs in alignment with the overall business.
  - Examination of the various levels of overhead & support control.
  - What is the business impact of improved overhead cost allocation?
- Rolling Budgets
  - Rolling budgeting and forecasting techniques to reflect reality.
  - Is this a budgetary process to reflect the rapidly changing business world?
  - Can we avoid the inherent problems of the rigid annual budget?
  - Strategic thinking versus strategic planning and the route to continuous improvement.
- Capital Expenditure Budgeting
  - Budgeting and monitoring of capital investment projects.
  - Ensuring that proposed infrastructure projects are in alignment with financial policy.
  - Capital expenditure and the match to strategic objectives and market expectations.
- Review
  - Expand the strategic management perspective and improve competitive advantage
  - Focus on key strategic control areas in business and finance
  - Understand how budgets and financial statements evaluate business strength
  - Take advantage of the 'beyond budgeting' management model

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- Learn how to operate more effectively and more efficiently to achieve goals

### What will I learn?

- Understand how business strategy links with activity based management
- Expand the strategic management perspective and improve competitive advantage
- Focus on key strategic control areas in business and finance
- Use management tools and techniques to support strategic management
- Understand how budgets and financial statements evaluate business strength
- Apply modern budgeting techniques and support strategic cost management
- Benefit from implementing rolling forecasts and budget monitoring
- Take advantage of the 'beyond budgeting' management model
- Develop a more active role in your company planning and decision-making
- Learn how to operate more effectively and more efficiently to achieve goals
- Increase your company competitive advantage through better management control and create and develop an action plan that will enable you and your organisation to take a major leap forward in business performance